

County Trends



Grand

June 2003

A Local Economic Perspective

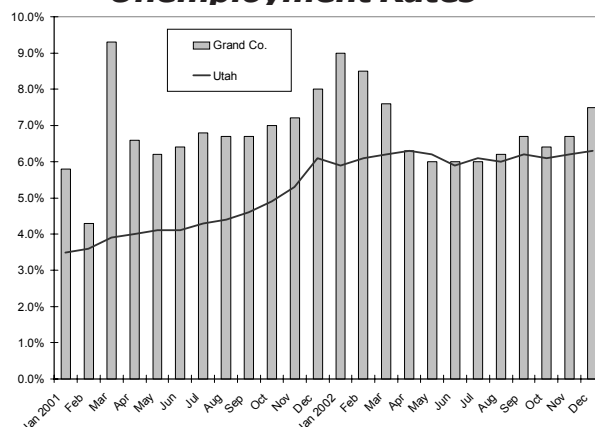
2002 - Travel Falters, So does Grand County

During the last half of 2002 the slowdown in the travel industry hit Grand County. Jobs losses were most acute in recreation and leisure, followed by declining jobs for mining and professional business services. Grand County's current unemployment rate, April 2003, was 7.1 percent, the same as reported in April 2002.

Jobs become Scarce

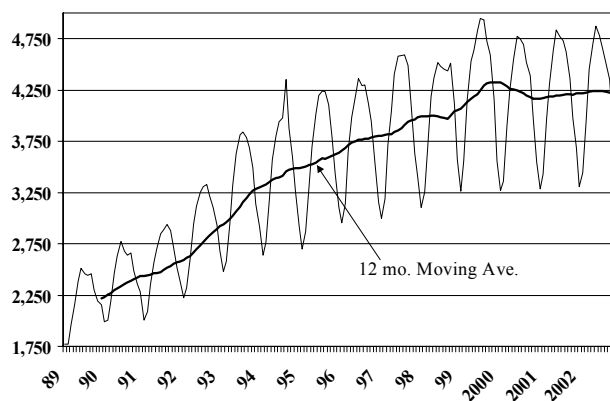
Year-over nonfarm employment fell in Grand County during the last two quarters of 2002. Nonfarm jobs dropped 1.1 percent in the third quarter, while fourth quarter jobs declined 0.7 percent. Goods production jobs fell in mining and manufacturing, while construction activity eked out slight gains. The completion of oil and gas exploration projects account for most of the mining jobs losses. In the third quarter, construction jobs faltered, but they regained ground in the fourth quarter due to demand for new residential and commercial buildings, and for road work. Manufacturing jobs declined at wood production manufacturing firms, offsetting gains in printing and chemical manufacturing.

Seasonally Adjusted GrandCounty Unemployment Rates



Source: Utah Department of Workforce Services.

Monthly Nonfarm Employment in Grand County, 1989-2002

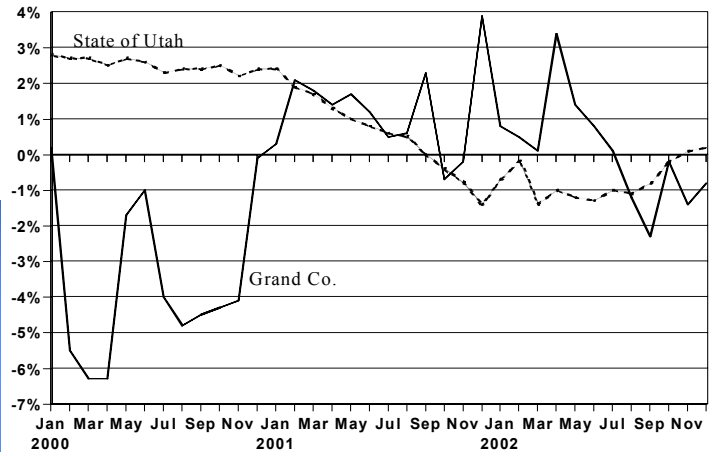


Source: Utah Department of Workforce Services.





Year-Over Change in Grand County Employment



Source: Utah Department of Workforce Services.

To the Point

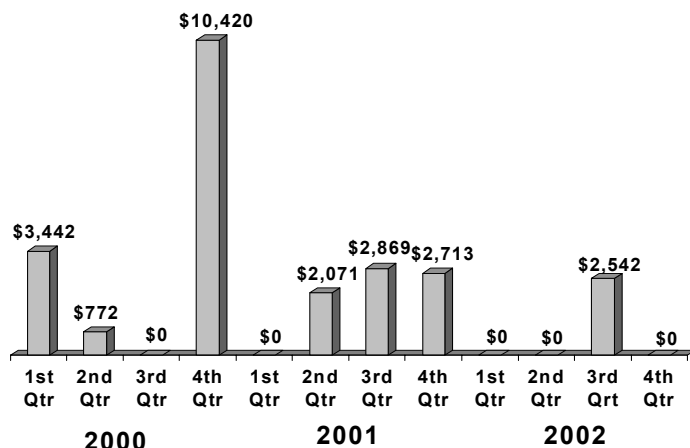
Just when it appeared that the travel industry might recover, new problems emerge to slow its growth. Weak economic growth combined with the threat of war put a damper on consumer confidence and travel plans. With sluggish growth and slow recovery predicted don't look for a strong upswing anytime soon.

Among service production industries, year-over data for the last half of 2002 show slight declines. The biggest losses were felt at recreation related establishments. Accommodations and food services jobs were almost unchanged. Jobs were added in retail information, real estate, banking, and government. Information jobs increased for movie production and broadcasting. Real estate development remained active, as did banking. Government growth was concentrated in federal land management and recreation jobs. State jobs were virtually unchanged and local government saw slight declines in administrative positions. Retail jobs rose at food stores, but these gains were offset by losses at gas stations, clothing, and sporting goods stores.

Construction Remains Weak

Year-over construction valuation, as measured by permit authorizations, declined 54.5 percent in the last half of 2002. Residential construction saw its valuation tumble 52.6 percent, while total units fell 29.4 percent.

Grand County Total Construction Permit Valuation



(Thousands of dollars)

Source: Utah Bureau of Economic & Business Research.



The big decline occurred in multifamily construction. Nonresidential values were down 70 percent. The only bright spot was an increase in the valuation of renovation work of residential and nonresidential buildings.

Sales Scratch out Improvement

Year-over gross taxable retail sales managed to keep its nose above water during the third and fourth quarters of 2002. Third quarter sales increased 3.6 percent while fourth quarter sales rose a scant 0.5 percent. Retail sales grew at general merchandise, food, and apparel stores. Eating and drinking places also showed gains. Services sales fell for repairs and business service sales. Lodging sales rose slightly the last half of 2002.

Outlook for 2003

The slowdown in worldwide travel caught up with Grand County in the third and fourth quarters of 2002. Unfortunately, the rebound in travel will be slow, due to international problems, SARS, and a weak dollar.

Austin Sargent, Regional Economist
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Quick Facts

April 2003

Unemployment Rate

Grand County	7.1%
Utah	5.3%
U.S.	6.0%

Dec. 2002 Change from Previous Year

Job Growth

Grand County	-0.8%
Utah	0.2%
U.S.	-0.2%

4th Qtr 2002 Change from Previous Year

Construction Values

Grand County	-54.5%
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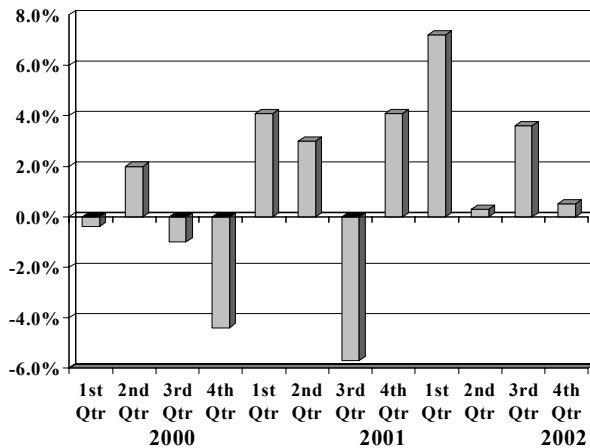
Sales

Grand County	0.5%
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Source: Utah Dept of Workforce Services,
Bureau of Labor Statistics,
Utah Tax Commission,
Bureau of Econ & Business Research.

**For more economic information about Grand County see:
<http://jobs.utah.gov/wi/Regions/County.asp>**

Year-Over Change in Grand County Gross Taxable Sales



Source: Utah Tax Commission.

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers, and the community.

What's Up? ⁴

- Widening work, from two-lanes to four-lanes, on an 8-mile stretch of U.S. Highway 191 north of Moab will begin this summer, including major work in Moab Canyon and a new entrance road for Arches National Park. The \$17-million project will continue until summer 2004.
- The Moab Area Partnership for Seniors obtained \$2.0 million in grants and loans for the building of a new Senior/Community Center.

For more economic events, see:

<http://jobs.utah.gov/wi/Regions/eastern/grand/grandee.pdf>



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Equal Opportunity Employment Program

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